STATE OF CONNECTICUT

House of Representatives

General Assembly

File No. 688

January Session, 2019

Substitute House Bill No. 7192

House of Representatives, April 17, 2019

The Committee on Planning and Development reported through REP. MCCARTHY VAHEY, C. of the 133rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING MUNICIPAL AND REGIONAL OPPORTUNITIES AND EFFICIENCIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 7-395 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):
- 3 (a) The secretary shall review each audit report filed with said 4 secretary as provided in section 7-393, except said secretary shall review the audit reports on each audited agency biennially and may review the audit reports on any municipality or regional school district biennially, provided such secretary shall, in any year in which he does not review the report of any such municipality or regional school 9 district, review the comments and recommendations of the 10 independent auditor who made such audit. If, upon such review of the 11 audit report, evidence of fraud or embezzlement is found, he shall report such information to the state's attorney for the judicial district in which such municipality, regional school district or audited agency is

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located. If, in the review of such audit report said secretary finds that such audit has not been prepared in compliance with the provisions of subsection (a) of section 7-394a, or said secretary finds evidence of any unsound or irregular financial practice in relation to commonly accepted standards in municipal finance, said secretary shall prepare a report concerning such finding, including necessary details for proper evaluation of such finding and recommendations for corrective action and shall refer such report to the Municipal Finance Advisory Commission established under section 7-394b. A copy of such report shall be filed with: (1) The chief executive officer of such municipality or audited agency or the superintendent of such school district and, in the case of a town, city or borough, with the clerk of such town, city or borough; and (2) the Auditors of Public Accounts.

(b) If, upon such review of the audit report, the secretary finds (1) that such audit has not been prepared in accordance with subsection (a) of section 7-394a, and the municipality, regional school district or audited agency did not request permission to have the audit report prepared in a manner not in compliance with said subsection; or (2) evidence of unsound or irregular financial practices or management letter comments or lack of internal controls in relation to commonly accepted standards in municipal finance, then the secretary shall prepare a report concerning such finding, including, but not limited to, information to aid in the evaluation of such finding and recommendations for corrective action. The secretary shall submit such report to (A) the Municipal Finance Advisory Commission established pursuant to section 7-394b; (B) the Auditors of Public Accounts; and (C) the chief executive officer and clerk of the municipality, superintendent of schools for the regional school district or chief executive officer of the audited agency.

(c) Upon receipt of a report submitted pursuant to subsection (b) of this section, the chief executive officer of a municipality or audited agency or superintendent of schools for the regional school district shall attest to and explain the secretary's findings and submit a plan for corrective action, in writing, to the secretary.

48 (d) The secretary shall refer to the Municipal Finance Advisory

- 49 Commission any municipality that has not been previously referred to
- 50 said commission pursuant to subsection (b) of this section or section 7-
- 51 576, 7-576a or 7-576c, provided the municipality has:
- 52 (1) A negative fund balance percentage;
- 53 (2) Reported a fund balance percentage of less than five per cent in 54 the three immediately preceding fiscal years;
- 54 <u>the three immediately preceding fiscal years;</u>
- 55 (3) Reported a declining fund balance trend in the two immediately preceding fiscal years;
- 57 (4) Issued tax or bond anticipation notes in the three immediately 58 preceding fiscal years to meet cash liquidity;
- 59 (5) Had a general fund annual operating budget deficit of one and 60 one-half per cent or more of such municipality's general fund revenues
- in the immediately preceding fiscal year;
- 62 (6) Had a general fund annual operating budget deficit of two per
- 63 cent or more of such municipality's average general fund revenues in
- 64 the two immediately preceding fiscal years; or
- 65 (7) Received a bond rating below A from a bond rating agency.
- (e) The secretary may, at the secretary's discretion and based upon
- 67 the review conducted pursuant to subsection (a) of this section, refer to
- 68 the Municipal Finance Advisory Commission any municipality that
- 69 <u>has not been previously referred to said commission pursuant to</u>
- subsection (b) of this section or section 7-576, 7-576a or 7-576c.
- 71 (f) For the purposes of this section, "deficit", "fund balance" and
- 72 <u>"fund balance percentage" have the same meanings as provided in</u>
- 73 <u>section 7-560.</u>
- Sec. 2. Section 2-79a of the general statutes is repealed and the
- 75 following is substituted in lieu thereof (*Effective July 1, 2019*):

(a) (1) There shall be a Connecticut Advisory Commission on Intergovernmental Relations. The purpose of the commission shall be to enhance coordination and cooperation between the state and local governments. [The]

80 (2) Before July 1, 2019, the commission shall consist of the president 81 pro tempore of the Senate, the speaker of the House of 82 Representatives, the minority leader of the Senate, the minority leader of the House of Representatives, the Secretary of the Office of Policy 83 84 and Management, the Commissioners of Education, Energy and 85 Environmental Protection, Economic and Community Development, 86 or their designees, and sixteen additional members as follows: [(1)] (A) 87 Six municipal officials appointed by the Governor, four of whom shall 88 be selected from a list of nominees submitted to [him] the Governor by 89 the Connecticut Conference of Municipalities and two of whom shall 90 be selected from a list submitted by the Council of Small Towns. Two 91 of such six officials shall be from towns having populations of twenty 92 thousand or less persons, two shall be from towns having populations 93 of more than twenty thousand but less than sixty thousand persons 94 and two shall be from towns having populations of sixty thousand or 95 more persons; [(2)] (B) two local public education officials appointed 96 by the Governor, one of whom shall be selected from a list of nominees 97 submitted to [him] the Governor by the Connecticut Association of 98 Boards of Education and one of whom shall be selected from a list 99 submitted by the Connecticut Association of School Administrators; 100 [(3)] (C) one representative of a regional council of governments 101 appointed by the Governor from a list of nominees submitted to [him] 102 the Governor by the Regional Planning Association of Connecticut; 103 [(4)] (D) five persons who do not hold elected or appointed office in 104 state or local government, one of whom shall be appointed by the 105 Governor, one of whom shall be appointed by the president pro 106 tempore of the Senate, one of whom shall be appointed by the speaker 107 of the House of Representatives, one of whom shall be appointed by 108 the minority leader of the Senate and one of whom shall be appointed 109 by the minority leader of the House of Representatives; [(5)] (E) one 110 representative of the Connecticut Conference of Municipalities

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appointed by said conference; and [(6)] <u>(F)</u> one representative of the Council of Small Towns appointed by said council. [Each]

113 (3) On and after July 1, 2019, the commission shall consist of the 114 chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to 115 planning and development, or their designees, the Secretary of the 116 117 Office of Policy and Management and seventeen additional members as follows: (A) Six municipal officials appointed by the Governor, four 118 119 of whom shall be selected from a list of nominees submitted to the Governor by the Connecticut Conference of Municipalities and two of 120 121 whom shall be selected from a list submitted by the Council of Small Towns. Two of such six officials shall be from towns having 122 populations of twenty thousand or less persons, two shall be from 123 towns having populations of more than twenty thousand but less than 124 sixty thousand persons and two shall be from towns having 125 126 populations of sixty thousand or more persons; (B) two local public education officials appointed by the Governor, one of whom shall be 127 selected from a list of nominees submitted to the Governor by the 128 129 Connecticut Association of Boards of Education and one of whom shall 130 be selected from a list submitted by the Connecticut Association of 131 School Administrators; (C) one representative of a regional council of 132 governments appointed by the Governor from a list of nominees 133 submitted to the Governor by the Regional Planning Association of Connecticut; (D) one representative of organized labor appointed by 134 135 the Governor from a list of nominees submitted to the Governor by the Connecticut AFL-CIO; (E) five persons who do not hold elected or 136 appointed office in state or local government, one of whom shall be 137 138 appointed by the Governor, one of whom shall be appointed by the 139 president pro tempore of the Senate, one of whom shall be appointed 140 by the speaker of the House of Representatives, one of whom shall be 141 appointed by the minority leader of the Senate and one of whom shall 142 be appointed by the minority leader of the House of Representatives; (F) one representative of the Connecticut Conference of Municipalities 143 144 appointed by said conference; and (G) one representative of the 145 Council of Small Towns appointed by said council.

(4) Before July 1, 2019, each member of the commission appointed pursuant to [subdivisions (1) to (6)] subparagraphs (A) to (F), inclusive, of subdivision (2) of this subsection shall serve for a term of two years. On and after July 1, 2019, each member of the commission appointed pursuant to subparagraphs (A) to (G), inclusive, of subdivision (3) of this subsection shall serve for a term of two years and may serve until a successor is appointed and has qualified. All other members shall serve for terms which are coterminous with their terms of office. The Governor shall appoint a chairperson and a vice-chairperson from among the commission members. Members of the General Assembly may serve as gubernatorial appointees to the commission. Members of the commission shall not be compensated for their services but shall be reimbursed for necessary expenses incurred in the performance of their duties.

(b) The commission shall: (1) Serve as a forum for consultation among state and local government officials; (2) conduct research on intergovernmental issues, including, but not limited to, the sharing and consolidation of government services as well as the direct and indirect impacts of changes in the provision of services at different levels of government; (3) encourage and coordinate studies of intergovernmental issues by universities, research and consulting organizations and others; and (4) [initiate policy development and makel develop models for sustainable, recurring savings and revenue growth while initiating policy development and making recommendations for consideration by all levels and branches of government. The commission shall issue, from time to time, public reports of its findings and recommendations. [and] Before July 1, 2019, the commission shall issue, annually, a public report on its activities. On and after July 1, 2019, the commission shall issue, annually, a public report on its activities and a work plan, as described in subsection (c) of this section, for the next year. On and after July 1, 2020, such public report shall describe the status of all items in the prior year's work plan, including statistics to measure progress made, if any, from the prior year.

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(c) In developing any work plan to be issued on and after July 1, 180 181 2019, the commission, in consultation with other commissions established to address consolidation and sharing of government 182 services, shall, on or before October 15, 2019, and every six months 183 184 thereafter until October 15, 2021, consider, analyze and make specific 185 recommendations to the secretary for the accomplishment of, all 186 aspects of sharing government services among state, regional and local bodies, which aspects may include, but not be limited to: 187

- 188 (1) Standardization and alignment of various regions;
- (2) Consolidation of government services, including, but not limited
 to, joint purchasing, for a municipality and its respective local or
 regional school district, as applicable;
- (3) Consolidation and sharing of government services, including,
 but not limited to, joint purchasing, among municipalities;
- (4) Types of government services that may be provided in a more efficient, high-quality or cost-effective manner by another level of government or by regional councils of governments, regional educational service centers or other similar regional bodies;
- 198 <u>(5) Standardization of government services, including, but not</u> 199 <u>limited to, the issuance of permits, across state, regional and local</u> 200 <u>bodies;</u>
- (6) Standardization, enhancement or streamlining of reporting by
 and among state, regional and local bodies;
- 203 (7) Standardization, enhancement or streamlining of collection and sharing of data;
- 205 (8) Opportunities for the use of e-government solutions to deliver 206 government services and conduct government programs;
- 207 (9) Alternative sources of revenue for municipal governments, 208 regional councils of governments and regional educational service

209 <u>centers;</u>

- 210 (10) Regional revenue sharing;
- 211 (11) Coalition bargaining and other changes to relations between
- 212 municipalities and municipal employees;
- 213 (12) Reduction of long-term liabilities of municipalities; and
- 214 (13) Sequencing of and timeliness for planning and implementation
- 215 of aspects described in this subsection.
- 216 [(c)] (d) On or before [October 1, 2019] the second Wednesday after 217 the convening of the regular session of the General Assembly in 2020, and every four years thereafter on such second Wednesday, the 218 219 commission shall submit to the General Assembly a report which lists 220 each existing state mandate, as defined in subsection (a) of section 2-221 32b, and which (1) categorizes each mandate as constitutional, 222 statutory or executive, [(2) provides the date of original enactment or 223 issuance along with a brief description of the history of the mandate, 224 and (3) analyzes the costs incurred by and (2) describes the potential 225 impacts on local governments [in] implementing the mandate. In each 226 report the commission may also make recommendations on state 227 mandates for consideration by the commission. On and after October 228 1, 1996, the report shall be submitted to the joint standing committee of 229 the General Assembly having cognizance of matters relating to 230 appropriations and budgets of state agencies, to any other joint 231 standing committee of the General Assembly having cognizance and, 232 upon request, to any member of the General Assembly. A summary of 233 the report shall be submitted to each member of the General Assembly 234 if the summary is two pages or less and a notification of the report 235 shall be submitted to each member if the summary is more than two 236 pages. Submission shall be by mailing the report, summary or 237 notification to the legislative address of each member of the 238 committees or the General Assembly, as applicable. The provisions of 239 this subsection shall not be construed to prevent the commission from 240 making more frequent recommendations on state mandates.

[(d)] (e) Commencing on or before [the second Wednesday after the convening of the 1997 regular session of the General Assembly] January 15, 1997, and every year thereafter except a year in which a report is filed pursuant to subsection [(c)] (d) of this section, the commission shall submit to the General Assembly a supplement to the report required in [said subsection (c)] said subsection identifying any new mandates adopted and any mandates changed in the previous year.

- [(e)] (f) The Office of Policy and Management shall provide such staff as is necessary for the performance of the functions and duties of the Connecticut Advisory Commission on Intergovernmental Relations. Such persons may be exempt from the classified service.
- Sec. 3. Section 2-32c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

On and after [January 1, 2019] July 1, 2019, the Connecticut Advisory Commission on Intergovernmental Relations, established pursuant to section 2-79a, as amended by this act, shall, not more than ninety days after adjournment of any regular or special session of the General Assembly or [September first] November fifteenth immediately following adjournment of a regular session, whichever is [sooner] <u>later</u>, submit to the speaker of the House of Representatives, the president pro tempore of the Senate, the majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives, [and] the minority leader of the Senate and the chief elected official of each municipality a report [which] that lists each state mandate enacted during said regular or special session of the General Assembly. [Within five days of Not later than five days after receipt of the report, the speaker and the president pro tempore shall [submit the report to the Secretary of the Office of Policy and Management and refer each state mandate to the joint standing committee or select committee of the General Assembly having cognizance of the subject matter of the mandate. The secretary shall provide notice of the report to the chief elected

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274 official of each municipality.]

- Sec. 4. Section 4-66k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):
 - (a) There is established an account to be known as the "regional planning incentive account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Secretary of the Office of Policy and Management in accordance with subsection (b) of this section for the purposes of first providing funding to regional planning organizations in accordance with the provisions of subsections (b) [and (c)] to (d), inclusive, of this section and then to providing grants under the regional performance incentive program established pursuant to section 4-124s, as amended by this act.
 - (b) For the fiscal year ending June 30, 2014, funds from the regional planning incentive account shall be distributed to each regional planning organization, as defined in section 4-124i, revision of 1958, revised to January 1, 2013, in the amount of one hundred twenty-five thousand dollars. Any regional council of governments that is comprised of any two or more regional planning organizations that voluntarily consolidate on or before December 31, 2013, shall receive an additional payment in an amount equal to the amount the regional planning organizations would have received if such regional planning organizations had not voluntarily consolidated.
 - (c) [Beginning in] <u>For</u> the fiscal year ending June 30, 2015, and [annually thereafter] <u>each fiscal year thereafter until July 1, 2019</u>, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j, in the amount of one hundred twenty-five thousand dollars plus fifty cents per capita, using population information from the most recent federal decennial census. Any regional council of governments that is comprised of any two or more regional planning organizations, as defined in section 4-124i, revision of 1958, revised to January 1, 2013,

that voluntarily consolidated on or before December 31, 2013, shall receive a payment in the amount of one hundred twenty-five thousand dollars for each such regional planning organization that voluntarily consolidated on or before said date.

- (d) For the fiscal year ending June 30, 2020, and each fiscal year thereafter, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j, in the amount of seventy-five thousand dollars plus thirty cents per capita, using population information from the most recent federal decennial census. The secretary may distribute, annually, an additional amount to each regional council of governments.
- Sec. 5. Section 4-66r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

321 For the fiscal year ending June 30, [2018] 2020, and each fiscal year 322 thereafter, each regional council of governments shall [, within 323 available appropriations, receive a grant-in-aid to be known as a 324 regional services grant, the amount of which shall be based on [a 325 formula to be determined by the Secretary of the Office of Policy and 326 Management. No such council shall receive a grant for the fiscal year 327 ending June 30, 2018, unless the secretary approves a spending plan 328 for such grant moneys submitted by such council to the secretary on or 329 before November 1, 2017. No such council shall receive a grant for the 330 fiscal year ending June 30, 2019, or any fiscal year thereafter, unless the 331 secretary approves a spending plan for such grant moneys submitted 332 by such council to the secretary on or before July 1, 2018, and annually 333 thereafter] the formula established pursuant to section 4-66k, as 334 amended by this act. Each regional council of governments shall use 335 such grant funds for planning purposes and to achieve efficiencies in 336 the delivery of municipal services, without diminishing the quality of 337 such services. On or before October 1, [2018] 2020, and annually 338 thereafter, each regional council of governments shall submit a report, 339 in accordance with section 11-4a, to the joint standing committees of

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the General Assembly having cognizance of matters relating to planning and development and finance, revenue and bonding, and to the secretary. Such report shall (1) summarize the expenditure of such grant funds, (2) describe any regional program, project or initiative currently provided or planned by the council, (3) review the performance of any existing regional program, project or initiative relative to its initial goals and objectives, (4) analyze the existing services provided by member municipalities or by the state that, in the opinion of the council, could be more effectively or efficiently provided on a regional basis, and (5) provide recommendations for legislative action concerning potential impediments the regionalization of services.

- Sec. 6. Subsections (b) to (e), inclusive, of section 4-124s of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):
- (b) There is established a regional performance incentive program that shall be administered by the Secretary of the Office of Policy and Management. [On or before December 31, 2011, and annually thereafter, any regional council of governments, any two or more municipalities acting through a regional council of governments, any economic development district, any regional educational service center or any combination thereof may submit a proposal to the secretary for: (1) The joint provision of any service that one or more participating municipalities of such council, educational service center or agency currently provide but which is not provided on a regional basis, (2) a planning study regarding the joint provision of any service on a regional basis, or (3) shared information technology services. A copy of said proposal shall be sent to the legislators representing said participating municipalities.] The secretary may provide funding for: (1) The joint provision of any government service, or (2) a planning study regarding the joint provision of any service on a regional basis. Any local or regional board of education or regional educational service center serving a population greater than one hundred thousand may submit a proposal to the secretary for a regional special education

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[A regional council of governments, an economic development district, a regional educational service center or a local or regional board of education shall submit each proposal in the form and manner the secretary prescribes and shall, at a minimum, provide the following information for each proposal: (A) Service or initiative description; (B) the explanation of the need for such service or initiative; (C) the method of delivering such service or initiative on a regional basis; (D) the organization that would be responsible for regional service or initiative delivery; (E) a description of the population that would be served; (F) the manner in which regional service or initiative delivery will achieve economies of scale; (G) the amount by which participating municipalities will reduce their mill rates as a result of savings realized; (H) a cost benefit analysis for the provision of the service or initiative by each participating municipality and by the entity or board of education submitting the proposal; (I) a plan of implementation for delivery of the service or initiative on a regional basis; (J) a resolution endorsing such proposal approved by the legislative body of each participating municipality; and (K) an explanation of the potential legal obstacles, if any, to the regional provision of the service or initiative] On or before December 1, 2019, and annually thereafter, the Connecticut Advisory Commission on Intergovernmental Relations established pursuant to section 2-79a, as amended by this act, may recommend to the secretary any specific proposal for achieving additional cost savings through regional efficiencies. The secretary may provide funding, within available resources, to a regional council of governments, an economic development district, a regional educational service center or any combination thereof for the purpose of administering any such proposal. Said commission shall submit each proposal in the form and manner prescribed by the secretary.

(2) The secretary shall review each proposal and shall award grants for proposals the secretary determines best meet the requirements of this section. [In awarding such grants, the secretary shall give priority

408 to a proposal submitted by (A) any entity specified in subsection (a) of 409 this section that includes participation of all of the member 410 municipalities of such entity, and which may increase the purchasing 411 power of participating municipalities or provide a cost savings 412 initiative resulting in a decrease in expenses of such municipalities, 413 allowing such municipalities to lower property taxes, (B) any economic 414 development district, and (C) any local or regional board of 415 education.]

- (d) On or before December 31, 2013, and annually thereafter until December 31, 2018, in addition to any proposal submitted pursuant to this section, any municipality or regional council of governments may apply to the secretary for a grant to fund: (1) Operating costs associated with connecting to the state-wide high speed, flexible network developed pursuant to section 4d-80, including the costs to connect at the same rate as other government entities served by such network; and (2) capital cost associated with connecting to such network, including expenses associated with building out the internal fiber network connections required to connect to such network, provided the secretary shall make any such grant available in accordance with the two-year schedule by which the Bureau of Enterprise Systems and Technology recommends connecting each municipality and regional council of governments to such network. Any municipality or regional council of governments shall submit each application in the form and manner the secretary prescribes.
- (e) The secretary shall submit to the Governor and the joint standing [committee] committees of the General Assembly having cognizance of matters relating to planning and development and finance, revenue and bonding a report on the grants provided pursuant to this section. Each such report shall include information on the amount of each grant, and the potential of each grant for leveraging other public and private investments. The secretary shall submit a report for the fiscal year commencing July 1, 2011, not later than February 1, 2012, and shall submit a report for each subsequent fiscal year not later than the first day of March in such fiscal year. [Such reports shall include the

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property tax reductions achieved by means of the program established pursuant to this section.

- Sec. 7. Subsection (a) of section 32-665 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2019):
- 447 (a) Except as otherwise provided in sections 32-650 to 32-668, 448 inclusive, the following provisions of the general statutes, including 449 regulations adopted thereunder, shall not apply to the overall project: 450 Section 3-14b, subdivisions (13) to (15), inclusive, of section 4-166, 451 sections 4-167 to 4-174, inclusive, 4-181a, 4a-1 to 4a-59a, inclusive, 4a-63 452 to 4a-76, inclusive, title 4b, section 16a-31, chapters 97a, 124 and 126, 453 sections 14-311 to 14-314c, inclusive, 19a-37, 22a-16 and subsection (a) 454 of section 22a-19. For the purposes of section 22a-12, construction plans 455 relating to the overall project shall not be considered construction 456 plans required to be submitted by state agencies to the Council on 457 Environmental Quality. Notwithstanding any provision of any special 458 act, charter, ordinance, home rule ordinance or chapter 98, no 459 provision of any such act, charter or ordinance or said chapter 98, 460 concerning licenses, permits or approvals by a political subdivision of 461 the state pertaining to building demolition or construction shall apply 462 to the overall project and, notwithstanding any provision of the 463 general statutes, the State Building Inspector and the State Fire 464 Marshal shall have original jurisdiction with respect to the 465 administration and enforcement of the State Building Code and the 466 Fire Safety Code, respectively, with respect to all aspects of the overall 467 project, including, without limitation, the conduct of necessary reviews 468 and inspections and the issuance of any building permit, certificate of 469 occupancy or other necessary permits or certificates related to building 470 construction, occupancy or fire safety. For the purposes of part III of 471 chapter 557, the stadium facility project, the convention center project 472 and the parking project shall be deemed to be a public works project 473 and consist of public buildings except that the provisions relating to 474 payment of prevailing wages to workers in connection with a public 475 works project including, but not limited to, section 31-53 shall not

476 apply to the stadium facility project, the convention center project and 477 the parking project if the project manager or the prime construction 478 contractor has negotiated other wage terms pursuant to a project labor 479 agreement. The provisions of section 2-32c, as amended by this act, 480 and subsection [(c)] (d) of section 2-79a, as amended by this act, shall 481 not apply to any provisions of public act 99-241, as amended by public 482 act 00-140, or chapter 588x concerning the overall project. Any building 483 permit application with respect to the overall project shall be exempt 484 from the assessment of an education fee under subsection (b) of section 485 29-252a.

- Sec. 8. Subsection (b) of section 4-66n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 488 1, 2019):
- 489 (b) Moneys transferred to the account in accordance with section 87 490 of public act 13-247 shall be expended by the Office of Policy and 491 Management as follows: (1) For the Nutmeg Network, [two million 492 one hundred seventy-four thousand] two million one hundred four 493 thousand dollars; (2) for a tax incidence study, seven hundred 494 thousand dollars; (3) for the universal chart of accounts, [four hundred 495 fifty thousand two hundred seventy thousand dollars; (4) to audit 496 private providers of special education services, in accordance with 497 section 2-90 and sections 10-91g to 10-91i, inclusive, three hundred 498 sixty-six thousand dollars; [and] (5) for the Department of Education, 499 to conduct the study described in section 4 of public act 16-144, two 500 hundred fifty thousand dollars; and (6) to promote and facilitate the 501 implementation of shared or regional government services, two 502 hundred fifty thousand dollars. Such moneys for the universal chart of 503 accounts may be used to reimburse expenses incurred on or after July 504 1, 2013.
- Sec. 9. Section 12-62 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):
- 507 (a) As used in this chapter:

508 (1) "Assessor" means the person responsible for establishing 509 property assessments for purposes of a town's grand list and includes 510 a board of assessors;

- (2) "Field review" means the process by which an assessor, a member of an assessor's staff or person designated by an assessor examines each parcel of real property in its neighborhood setting, compares observable attributes to those listed on such parcel's corresponding property record, makes any necessary corrections based on such observation and verifies that such parcel's attributes are accounted for in the valuation being developed for a revaluation;
- (3) "Full inspection" or "fully inspect" means to measure or verify the exterior dimensions of a building or structure and to enter and examine the interior of such building or structure in order to observe and record or verify the characteristics and conditions thereof, provided permission to enter such interior is granted by the property owner or an adult occupant;
- 524 (4) "Real property" means all the property described in section 12-525 64;
- 526 (5) "Revaluation" or "revalue" means to establish the present true 527 and actual value of all real property in a town as of a specific 528 assessment date;
- 529 (6) "Secretary" means the Secretary of the Office of Policy and 530 Management, or said secretary's designee; [and]
- 531 (7) "Town" means any town, consolidated town and city or consolidated town and borough; [.]
- 533 (8) "Revaluation zone" means one of five geographic areas in the 534 state established by the secretary utilizing the boundaries of the nine 535 planning regions; and
- 536 (9) "Planning region" has the same meaning as provided in section 4-124i.

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(b) (1) (A) Commencing October 1, 2006, and until September 30, 2020, each town shall implement a revaluation not later than the first day of October that follows, by five years, the October first assessment date on which the town's previous revaluation became effective, provided, a town that opted to defer a revaluation, pursuant to section 12-62l, shall implement a revaluation not later than the first day of October that follows, by five years, the October first assessment date on which the town's deferred revaluation became effective.

- (B) Commencing October 1, 2020, (i) each town shall implement a revaluation not later than the first day of October that follows, by five years, an October first assessment date set in accordance with a revaluation date schedule prescribed by the secretary for each revaluation zone, (ii) any town's required revaluation subsequent to any delayed revaluation implemented pursuant to subparagraph (A) of this subdivision shall be implemented in accordance with this section, and (iii) any such revaluation subsequent to any delayed revaluation shall recommence on the date set in such revaluation date schedule prescribed for the revaluation zone in which such town is located, which revaluation date schedule applied to such town prior to such delay.
- (C) The town shall use assessments derived from each such revaluation for the purpose of levying property taxes for the assessment year in which such revaluation is effective and for each assessment year that follows until the ensuing revaluation becomes effective.
- (2) When conducting a revaluation, an assessor shall use generally accepted mass appraisal methods which may include, but need not be limited to, the market sales comparison approach to value, the cost approach to value and the income approach to value. Prior to the completion of each revaluation, the assessor shall conduct a field review. Except in a town that has a single assessor, the members of the board of assessors shall approve, by majority vote, all valuations established for a revaluation.

(3) An assessor, member of an assessor's staff or person designated by an assessor may, at any time, fully inspect any parcel of improved real property in order to ascertain or verify the accuracy of data listed on the assessor's property record for such parcel. Except as provided in subdivision (4) of this subsection, the assessor shall fully inspect each such parcel once in every ten assessment years, provided, if the full inspection of any such parcel occurred in an assessment year preceding that commencing October 1, 1996, the assessor shall fully inspect such parcel not later than the first day of October of 2009, and shall thereafter fully inspect such parcel in accordance with this section. Nothing in this subsection shall require the assessor to fully inspect all of a town's improved real property parcels in the same assessment year and in no case shall an assessor be required to fully inspect any such parcel more than once during every ten assessment years.

(4) An assessor may, at any time during the period in which a full inspection of each improved parcel of real property is required, send a questionnaire to the owner of such parcel to (A) obtain information concerning the property's acquisition, and (B) obtain verification of the accuracy of data listed on the assessor's property record for such parcel. An assessor shall develop and institute a quality assurance program with respect to responses received to such questionnaires. If satisfied with the results of said program concerning such questionnaires, the assessor may fully inspect only those parcels of improved real property for which satisfactory verification of data listed on the assessor's property record has not been obtained and is otherwise unavailable. The full inspection requirement in subdivision (3) of this subsection shall not apply to any parcel of improved real property for which the assessor obtains satisfactory verification of data listed on the assessor's property record.

(c) The following shall be available for public inspection in the assessor's office, in the manner provided for access to public records in subsection (a) of section 1-210, not later than the date written notices of real property valuations are mailed in accordance with subsection (f)

of this section: (1) Any criteria, guidelines, price schedules or statement of procedures used in such revaluation by the assessor or by any revaluation company that the assessor designates to perform mass appraisal or field review functions, all of which shall continue to be available for public inspection until the town's next revaluation becomes effective; and (2) a compilation of all real property sales in each neighborhood for the twelve months preceding the date on which each revaluation is effective, the selling prices of which are representative of the fair market values of the properties sold, which compilation shall continue to be available for public inspection for a period of not less than twelve months immediately following a revaluation's effective date. If the assessor changes any property valuation as determined by the revaluation company, the assessor shall document, in writing, the reason for such change and shall append such written explanation to the property card for the real estate parcel whose revaluation was changed. Nothing in this subsection shall be construed to permit the assessor to post a plan or drawing of a dwelling unit of a residential property's interior on the Internet or to otherwise publish such plan or drawing.

(d) (1) The chief executive officer of a town shall notify the Secretary of the Office of Policy and Management that the town is effecting a revaluation by sending a written notice to the secretary not later than thirty days after the date on which such town's assessor signs a grand list that reflects assessments of real property derived from a revaluation. Any town that fails to effect a revaluation for the assessment date required by this section shall be subject to a penalty effective for the fiscal year commencing on the first day of July following such assessment date, and continuing for each successive fiscal year in which the town fails to levy taxes on the basis of such revaluation, provided the secretary shall not impose such penalty with respect to any assessment year in which the provisions of subsection (b) of section 12-117 are applicable. Such penalty shall be the forfeit of the amount otherwise allocable to such town pursuant to section 7-536, and the loss of fifty per cent of the amount of the grant that is payable to such town pursuant to sections 3-55i, 3-55j and 3-55k. Upon

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imposing said penalty, the secretary shall notify the chief executive officer of the amount of the town's forfeiture for said fiscal year and that the secretary's certification to the State Comptroller for the payments of such grant in said year shall reflect the required reduction.

(2) The secretary may waive such penalty if, in the secretary's opinion, there appears to be reasonable cause for the town not having implemented a revaluation for the required assessment date, provided the chief executive officer of the town submits a written request for such waiver. Reasonable cause shall include: (A) An extraordinary circumstance or an act of God, (B) the failure on the part of any revaluation company to complete its contractual duties in a time and manner allowing for the implementation of such revaluation, and provided the town imposed the sanctions for such failure provided in a contract executed with said company, (C) the assessor's death or incapacitation during the conduct of a revaluation, which results in a delay of its implementation, or (D) an order by the superior court for the judicial district in which the town is located postponing such revaluation, or the potential for such an order with respect to a proceeding brought before said court. The chief executive officer shall submit such written request to the secretary not earlier than thirty business days after the date on which the assessor signs a grand list that does not reflect real property assessments based on values established for such required revaluation, and not later than thirty days preceding the July first commencement date of the fiscal year in which said penalty is applicable. Such request shall include the reason for the failure of the town to comply with the provisions of subsection (b) of this section. The chief executive officer of such town shall promptly provide any additional information regarding such failure that the secretary may require. Not later than sixty days after receiving such request and any such additional information, the secretary shall notify the chief executive officer of the secretary's decision to grant or deny the waiver requested, provided the secretary may delay a decision regarding a waiver related to a potential court order until not later than sixty days after the date such court renders the decision. The

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secretary shall not grant a penalty waiver under the provisions of this subsection with respect to consecutive years unless the General Assembly approves such action.

- (e) When conducting a revaluation, an assessor may designate a revaluation company certified in accordance with section 12-2b to perform [property] parcel data collection, analysis of such data and any mass appraisal valuation or field review functions, pursuant to a method or methods the assessor approves, and may require such company to prepare and mail the valuation notices required by subsection (f) of this section, provided nothing in this subsection shall relieve any assessor of any other requirement relating to such revaluation imposed by any provisions of the general statutes, any public or special act, the provisions of any municipal charter that are not inconsistent with the requirements of this section, or any regulations adopted pursuant to subsection (g) of this section.
- (f) Not earlier than the assessment date that is the effective date of a revaluation and not later than the tenth calendar day immediately following the date on which the grand list for said assessment date is signed, the assessor shall mail a written notice to the last-known address of the owner of each parcel of real property that was revalued. Such notice shall include the valuation of such parcel as of said assessment date and the valuation of such parcel in the last-preceding assessment year, and shall provide information describing the property owner's rights to appeal the valuation established for said assessment date, including the manner in which an appeal may be filed with the board of assessment appeals.
- (g) The secretary shall adopt regulations, in accordance with the provisions of chapter 54, which an assessor shall use when conducting a revaluation. Such regulations shall include (1) provisions governing the management of the revaluation process, including, but not limited to, the method of compiling and maintaining property records, documenting the assessment year during which a full inspection of each parcel of improved real property occurs, and the method of

determining real property sales data in support of the mass appraisal process, and (2) provisions establishing criteria for measuring the level and uniformity of assessments generated from a revaluation, provided such criteria shall be applicable to different classes of real property with respect to which a sufficient number of property sales exist. Certification of compliance with not less than one of said regulatory provisions shall be required for each revaluation and the assessor shall, not later than the date on which the grand list reflecting assessments of real property derived from a revaluation is signed, certify to the secretary and the chief executive officer, in writing, that the revaluation was conducted in accordance with said regulatory requirement. Any town effecting a revaluation with respect to which an assessor is unable to certify such compliance shall be subject to the penalty provided in subsection (d) of this section. In the event the assessor designates a revaluation company to perform mass appraisal valuation or field review functions with respect to a revaluation, the assessor and the employee of said company responsible for such function or functions shall jointly sign such certification. The assessor shall retain a copy of such certification and any data in support thereof in the assessor's office. The provisions of subsection (c) of this section concerning the public inspection of criteria, guidelines, price schedules or statement of procedures used in a revaluation shall be applicable to such certification and supporting data.

- (h) This section shall require the revaluation of real property (1) designated within the 1983 Settlement boundary and taken into trust by the federal government for the Mashantucket Pequot Tribal Nation before June 8, 1999, or (2) taken into trust by the federal government for the Mohegan Tribe of Indians of Connecticut.
- (i) Each assessor shall file with the secretary parcel data from each revaluation implemented pursuant to this section upon forms prescribed and furnished by the secretary, which forms shall be so prescribed and furnished not later than thirty days prior to the date set by the secretary for such filing.

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Sec. 10. (NEW) (*Effective July 1, 2019*) (a) Not later than July 1, 2020, each regional council of governments shall establish a regional assessment division for the collection and processing of data for each municipality with fifteen thousand parcels or fewer of real property within such council's planning region, as defined in section 4-124i of the general statutes. Such data shall include, but not be limited to, regional geographical information systems, personal property declarations, income and expense statements, property transfers, valuation of motor vehicles and building permit information. Each such municipality shall provide the data requested by the regional assessment division pursuant to this subsection.

(b) Each municipality with fifteen thousand parcels or fewer of real property that fails to provide the data requested pursuant to subsection (a) of this section shall be subject to a penalty, imposed by the Secretary of the Office of Policy and Management, effective for the fiscal year commencing July 1, 2020, and continuing for each successive fiscal year in which the municipality fails to provide such data, provided the secretary shall not impose such penalty with respect to any assessment year in which the provisions of subsection (b) of section 12-117 of the general statutes are applicable. Such penalty shall be the forfeit of the amount otherwise allocable to such municipality pursuant to section 7-536 of the general statutes, and the loss of fifty per cent of the amount of the grant that is payable to such municipality pursuant to sections 3-55i, 3-55j and 3-55k of the general statutes. Upon imposing such penalty, the secretary shall notify such municipality's chief executive officer of the amount of such municipality's forfeiture for such fiscal year and that the secretary's certification to the State Comptroller for the payments of such grant in such year shall reflect the required reduction.

Sec. 11. Section 7-148cc of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

[Two] Notwithstanding the provisions of the general statutes or any special act, charter, special act charter, home-rule ordinance or local

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<u>law, two</u> or more municipalities may jointly perform any function that each municipality may perform separately under any provisions of the general statutes or of any special act, charter or home rule ordinance by entering into an interlocal agreement pursuant to sections 7-339a to 7-339l, inclusive. As used in this section, "municipality" means any municipality, as defined in section 7-187, any district, as defined in section 7-324, any metropolitan district or any municipal district created under section 7-330 and located within the state of Connecticut.

- Sec. 12. Subdivision (2) of subsection (a) of section 28-24 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):
 - (2) [Develop] (A) Before July 1, 2019, develop and administer an enhanced emergency 9-1-1 program, which shall provide for: [(A)] (i) The replacement of existing 9-1-1 terminal equipment for each public safety answering point; [(B)] (ii) the subsidization of regional public safety emergency telecommunications centers, with enhanced subsidization for municipalities with a population of forty thousand or more; [(C)] (iii) the establishment of a transition grant program to encourage regionalization of public safety answering points; [(D)] (iv) the establishment of a regional emergency telecommunications service credit in order to support regional dispatch services; and [(E)] (v) the implementation of the next generation 9-1-1 telecommunication system;
 - (B) On and after July 1, 2019, develop and administer an enhanced emergency 9-1-1 program, which shall provide for: (i) The maintenance and replacement of existing 9-1-1 terminal equipment for each public safety answering point, provided, on and after July 1, 2024, each such answering point shall serve a population of forty thousand or more and may be a regional public safety emergency telecommunications center; (ii) the subsidization of regional public safety emergency telecommunications centers, with enhanced subsidization for municipalities with a population of forty thousand or

more; (iii) the establishment of a transition grant program to encourage regionalization of public safety answering points. Any transition grant under such program shall be awarded, as provided in regulations adopted under this section, to each town or city (I) joining an existing regional public safety emergency telecommunications center, or (II) creating a new regional public safety emergency telecommunications center. The amount of any such grant shall be in an amount not less than two hundred fifty thousand and up to five hundred thousand dollars, subject to availability of funds and using a sliding scale based upon the annual number of 9-1-1 calls placed from each joining or creating town or city; (iv) the establishment of a regional emergency telecommunications service credit in order to support regional dispatch services; and (v) the implementation of the next generation 9-1-1 telecommunication system as defined in section 28-25;

- Sec. 13. Subsections (b) to (e), inclusive, of section 28-24 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2019*):
- (b) The Commissioner of Emergency Services and Public Protection shall adopt regulations, in accordance with chapter 54, establishing eligibility standards for state financial assistance to local or regional police, fire and emergency medical service agencies providing emergency service telecommunications. Not later than April 1, 1997, the commissioner shall adopt regulations, in accordance with chapter 54, in order to carry out the provisions of subparagraph (A) of subdivision (2) of subsection (a) of this section. Not later than April 1, 2021, the commissioner shall adopt regulations, in accordance with chapter 54, in order to carry out the provisions of subparagraph (B) of subdivision (2) of subsection (a) of this section.
 - (c) Within a time period determined by the commissioner to ensure the availability of funds for the fiscal year beginning July 1, 1997, to the regional emergency telecommunications centers within the state, and not later than April first of each year thereafter, the commissioner shall determine the amount of funding needed for the development and

administration of the enhanced emergency 9-1-1 program. The commissioner shall specify the expenses associated with (1) the purchase, installation and maintenance of new public safety answering point terminal equipment, (2) the implementation of the subsidy program, as described in subdivision (2) of subsection (a) of this section, (3) the implementation of the transition grant program, described in subdivision (2) of subsection (a) of this section, (4) the implementation of the regional emergency telecommunications service credit, as described in subdivision (2) of subsection (a) of this section, provided, for the fiscal year ending June 30, 2001, and each fiscal year thereafter, such credit for coordinated medical emergency direction services as provided in regulations adopted under this section shall be based upon the factor of thirty cents per capita and shall not be reduced each year, (5) the training of personnel, as necessary, (6) recurring expenses and future capital costs associated with the telecommunications network used to provide emergency 9-1-1 service and the public safety services data networks, (7) for the fiscal year ending June 30, 2001, and each fiscal year thereafter, the collection, maintenance and reporting of emergency medical services data, as required under subparagraph (A) of subdivision (8) of section 19a-177, provided the amount of expenses specified under this subdivision shall not exceed two hundred fifty thousand dollars in any fiscal year, (8) for the fiscal year ending June 30, 2001, and each fiscal year thereafter, the initial training of emergency medical dispatch personnel, the provision of an emergency medical dispatch priority reference card set and emergency medical dispatch training and continuing education pursuant to subdivisions (3) and (4) of subsection (g) of section 28-25b, (9) the administration of the enhanced emergency 9-1-1 program by the Division of State-Wide Emergency Telecommunications, as the commissioner determines to be reasonably necessary, and (10) the implementation and maintenance of the public safety data network established pursuant to section 29-1j. The commissioner shall communicate the commissioner's findings to the Public Utilities Regulatory Authority not later than April first of each year.

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(d) For the fiscal year ending June 30, 2025, and each fiscal year thereafter, any municipality with a population of less than forty thousand, which municipality has not joined with two or more other municipalities to form a regional emergency telecommunications center, shall not be eligible to receive any funds pursuant to this section.

- [(d)] (e) The division may apply for, receive and distribute any federal funds available for emergency service telecommunications. The division shall deposit such federal funds in the Enhanced 9-1-1 Telecommunications Fund established pursuant to section 28-30a, as amended by this act.
- [(e)] (f) The division shall work in cooperation with the Public Utilities Regulatory Authority to carry out the purposes of this section.
- Sec. 14. Subsection (a) of section 28-30a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective* 890 October 1, 2019):
 - (a) There is established a fund to be known as the "Enhanced 9-1-1 Telecommunications Fund". The fund shall contain any moneys required by law to be deposited in the fund, including, but not limited to, any federal funds collected pursuant to subsection [(d)] (e) of section 28-24, as amended by this act, fees assessed against subscribers of local telephone service and subscribers of commercial mobile radio services pursuant to section 16-256g and prepaid wireless E 9-1-1 fees collected pursuant to section 28-30e. The Enhanced 9-1-1 Telecommunications Fund shall be held separate and apart from all other moneys, funds and accounts. Interest derived from the investment of the fund shall be credited to the assets of the fund. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fund for the fiscal year next succeeding.
- 904 Sec. 15. Section 29-305 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):

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(a) Each local fire marshal and the State Fire Marshal, for the purpose of satisfying themselves that all pertinent statutes and regulations are complied with, may inspect in the interests of public safety all buildings, facilities, processes, equipment, systems and other areas regulated by the Fire Safety Code and the State Fire Prevention Code within their respective jurisdictions.

- (b) Each local fire marshal shall inspect or cause to be inspected, at least once each calendar year or as often as prescribed by the State Fire Marshal pursuant to subsection (e) of this section, in the interests of public safety, all buildings and facilities of public service and all occupancies regulated by the Fire Safety Code within the local fire marshal's jurisdiction, except residential buildings designed to be occupied by (1) one or two families which shall be inspected, upon complaint or request of an owner or occupant, only for the purpose of determining whether the requirements specified in said codes relative to smoke detection and warning equipment have been satisfied; (2) three to six families, which shall be inspected at least once every three calendar years; and (3) seven to sixteen families, which shall be inspected at least once every two calendar years. In the case of a school building, each local fire marshal shall submit a written report to the local or regional board of education documenting each such inspection. Nothing in this subsection shall preclude a local fire marshal from inspecting or causing to be inspected a residential building designed to be occupied by three or more families at least once each calendar year.
- (c) Upon receipt by the State Fire Marshal of information from an authentic source that any other building or facility within the State Fire Marshal's jurisdiction is hazardous to life safety from fire, the State Fire Marshal shall inspect such building or facility.
- (d) Upon receipt by the local fire marshal of information from an authentic source that any other building or facility within the local fire marshal's jurisdiction is hazardous to life safety from fire, the local fire marshal shall inspect such building or facility. In each case in which

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the local fire marshal conducts an inspection, the local fire marshal shall be satisfied that all pertinent statutes and regulations are complied with, and shall keep a record of such investigations. Such local fire marshal or a designee shall have the right of entry at all reasonable hours into or upon any premises within the local fire marshal's jurisdiction for the performance of the fire marshal's duties except that occupied dwellings and habitations, exclusive of common use passageways and rooms in tenement houses, hotels and rooming houses, may only be entered for inspections between the hours of 9:00 a.m. and 5:00 p.m., except in the event of any emergency requiring immediate attention for life safety, or in the interests of public safety. Each local fire marshal shall make a monthly report to the authority which appointed the local fire marshal and shall be paid for his or her services in making such inspections of buildings, facilities, processes, equipment, systems and other areas the compensation agreed upon with such appointing authority.

- (e) The State Fire Marshal may adopt amendments to the Fire Safety Code and the State Fire Prevention Code regarding requirements for the frequency of inspections of different building uses regulated by the codes and set forth a schedule of inspections, except for inspections of residential buildings, [designed to be occupied by three or more families,] that are less frequent than yearly if the interests of public safety can be met by less frequent inspections.
- Sec. 16. Subdivision (6) of subsection (b) of section 7-576d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2019*):
 - (6) With respect to any proposed collective bargaining agreement or amendments negotiated pursuant to sections 7-467 to 7-477, inclusive, including any such agreement negotiated by a board of education, notwithstanding the provisions of subsection (d) of section 7-474, or pursuant to section 10-153d, the [board] Municipal Accountability Review Board shall have the same opportunity and authority to approve or reject, on not more than two occasions, collective

972 bargaining agreements or amendments as [is] are provided to the 973 legislative body of such municipality in said respective sections, except that (A) any such agreement negotiated by a board of education shall 974 975 be submitted to the Municipal Accountability Review Board by the 976 bargaining representative of such board of education not later than 977 fourteen days after any such agreement is reached, and (B) the 978 Municipal Accountability Review Board shall act upon such 979 agreement, pursuant to this subdivision, not later than thirty days after 980 submission by such bargaining representative.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2019	7-395
Sec. 2	July 1, 2019	2-79a
Sec. 3	July 1, 2019	2-32c
Sec. 4	July 1, 2019	4-66k
Sec. 5	July 1, 2019	4-66r
Sec. 6	July 1, 2019	4-124s(b) to (e)
Sec. 7	July 1, 2019	32-665(a)
Sec. 8	July 1, 2019	4-66n(b)
Sec. 9	July 1, 2019	12-62
Sec. 10	July 1, 2019	New section
Sec. 11	July 1, 2019	7-148cc
Sec. 12	July 1, 2019	28-24(a)(2)
Sec. 13	October 1, 2019	28-24(b) to (e)
Sec. 14	October 1, 2019	28-30a(a)
Sec. 15	July 1, 2019	29-305
Sec. 16	July 1, 2019	7-576d(b)(6)

Statement of Legislative Commissioners:

In Section 1(b), "subsection (a) of" was inserted before "section 7-394a" for accuracy, and "then" was inserted before "the secretary shall prepare" for clarity; throughout Section 2(a)(2), "him" was changed to "[him] the Governor" for clarity and consistency; in Section 2(e), "subsection (d) of this section" was changed to "said subsection" for consistency; in Section 8, the provision was restructured in Subdiv. (6) for consistency; in Section 9, Subdiv. (9) was added to define "planning region" for accuracy and clarity; and in Section 16, references to "the

board" were changed to "the Municipal Accountability Review Board" for clarity.

PD Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

The bill makes several changes concerning: 1) funding for regional Councils of Government, 2) municipal revaluations and assessment, 3) and regional public safety answering points. The fiscal impact of these changes is summarized below.

Funding for Councils of Government

The bill adjusts the formula for grants in aid to regional Councils of Government (COGs) funded via the non-appropriated Regional Performance Incentive Account (RPIA). This adjustment results in a reduction in this grant funding of an estimated \$1.1 million.

The bill allows OPM to distribute unspecified additional funding to COGs from the RPIA. To the extent OPM chooses to do this, the revenue loss resulting from the bill is at least partially offset.

The bill also adjusts the formula for an appropriated grant in aid to COGs established by PA 17-2, the FY 18 and FY 19 budget. The Governor's budget eliminates this appropriation in FY 20 and FY 21.

The bill also: 1) requires that \$250,000 of funding from the Municipal Reimbursement and Revenue Account (MRRA) be used for shared governmental services and 2) allows OPM to use additional funding from the RPIA for certain regional initiatives. The current balance of the RPIA is about \$3.0 million, while the current fund

balance of MRRA is about \$267,900.

Municipal Assessment and Revaluation

The bill establishes five revaluation zones and requires municipalities in each zone to conduct their revaluation in the same year as other municipalities in the same zone. The impact to each municipality will vary based on its current revaluation schedule and the revaluation schedule of the its zone.

The bill requires Councils of Government to establish regional assessment divisions and requires certain municipalities to report property parcel data to those regional divisions. There is a potential cost to the COGs to collect parcel data and administer regional assessment divisions, to the extent that they do not currently have the expertise to fulfill these responsibilities.

The bill subjects municipalities that do not report this data to 1) loss of Local Capital Improvement Program (LoCIP) funding and 2) a 50% reduction in Pequot funding. In FY 19, LoCIP funding to towns totaled about \$35.0 million; Pequot funding totaled about \$49.9 million.

Enhanced 9-1-1- Program

The bill requires the Department of Emergency Services and Public Protection (DESPP) to administer a transition grant program to incentivize a reduction in the number of public safety answering points (PSAPs) statewide. The bill provides grants in an amount between \$250,000 and \$500,000 to municipalities that join existing PSAPS (presumably other than retaining their own). This section also requires DESPP to replace telecommunications equipment at PSAPs.

These provisions result in a potential cost to the E-911 fund. DESPP already provides PSAPs with similar grants. To the extent that the total transition grants provided under the bill are more than existing grants, there is a cost to the fund equal to the difference and an equal revenue gain to receiving municipalities. There is also a potential savings to the fund to the extent that the bill reduces the number of PSAPs statewide.

The E-911 fund currently has a balance of approximately \$40 million.

The bill makes municipalities ineligible for E-911 funding if they do not join a PSAP serving at least 40,000 residents by 2025.

The bill makes a variety of other changes that have no fiscal impact. These changes relate to 1) reporting requirements of the Advisory Commission on Intergovernmental Relations, 2) inspection requirements for local fire marshalls, 3) municipal audit reports, and 4) the Municipal Accountability Review Board.

The Out Years

State Impact: See Above

Municipal Impact: See Above

OLR Bill Analysis sHB 7192

AN ACT CONCERNING MUNICIPAL AND REGIONAL OPPORTUNITIES AND EFFICIENCIES.

SUMMARY

Among other things, this bill:

- 1. adds to the circumstances under which the Office of Policy and Management (OPM) secretary must refer entities subject to the Municipal Auditing Act to the Municipal Finance Advisory Commission (MFAC) (§ 1);
- 2. modifies the Advisory Commission on Intergovernmental Relation's (ACIR) charge and membership and expands ACIR's reporting requirements (§§ 2, 3 & 7);
- 3. beginning in FY 20, changes how OPM funds regional councils of governments (COGs) (§§ 4 & 5);
- 4. appears to give the OPM secretary broader authority to determine how to distribute Regional Performance Incentive Program (RPIP) grants (§ 6);
- 5. requires OPM to spend \$250,000 from the municipal reimbursement and revenue account to promote and facilitate implementing shared or regional government services (§ 8);
- 6. requires municipalities to (a) conduct revaluations pursuant to an OPM-designated regional revaluation schedule and (b) submit revaluation-related parcel data to OPM (§ 9);
- 7. requires COGs to collect and process municipalities' regional geographical information system, personal property declaration,

income and expense statement, property transfer, motor vehicle valuation, and building permit data (§ 10);

- 8. allows municipalities and associated bodies to enter into interlocal agreements regardless of conflicting provisions in state or local law (§ 11);
- 9. sunsets the state's existing enhanced emergency 9-1-1 (enhanced 9-1-1) program and replaces it with a similar program with some additional duties and, beginning in FY 25, provides funding only to public safety answer points (PSAPs) serving at least 40,000 people or at least three municipalities (i.e., regional PSAPs) (§§ 12-14);
- 10. decreases the required frequency of local fire marshals' inspection of three-to-sixteen family dwellings (§ 15); and
- 11. specifies deadlines by which boards of education in Tier III municipalities must provide collective bargaining agreements and amendments to the Municipal Accountability Review Board (MARB) for its approval or rejection (§ 16).

The bill also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2019, except certain provisions on the enhanced 9-1-1 program are effective October 1, 2019.

§ 1 — MFAC REFERRALS

By law, (1) regional school districts, (2) municipalities, and (3) other related entities with annual receipts exceeding \$1 million (e.g., municipal utilities, special taxing districts, and COGs) must annually submit an audit that complies with the Municipal Auditing Act to OPM. If upon reviewing these audits, the OPM secretary finds that they are incorrectly prepared or there is evidence of unsound or irregular financial practices, the secretary must report such problems to MFAC (i.e., "refer" to MFAC). (MFAC is responsible for helping to improve the fiscal condition of any audited entity the secretary refers

to it.)

Required Referrals of Audited Entities

The bill additionally requires such a referral in situations where the OPM secretary finds (1) the audit was incorrectly prepared and the audited entity did not request from OPM a waiver from the Municipal Auditing Act's provisions or (2) management letter comments or lack of internal controls in relation to commonly accepted municipal finance standards.

As is the case with referrals under existing law, OPM must send a copy of the referral report to the state auditors and the chief executive officer (CEO) of the audited entity (the superintendent in the case of school districts). If the audited entity is a municipality, OPM must also send the town clerk a copy of the referral report. Under the bill, upon receipt of the report, the CEO or superintendent must submit to the secretary in writing an explanation and attestation of the secretary's findings and a corrective action plan.

Required Referral of Municipalities

The bill also requires the secretary to refer to MFAC municipalities that have not already been referred if an audit review shows that the municipality has:

- 1. a negative fund balance percentage;
- 2. in the three preceding fiscal years, (a) reported a fund balance percentage of less than 5% or (b) issued tax or bond anticipation notes to meet cash liquidity;
- 3. in the two preceding fiscal years, (a) reported a declining fund balance trend or (b) a general fund annual operating budget deficit of 2% or more of its average general fund revenues;
- 4. in the preceding fiscal year, a general fund annual operating budget deficit of 1.5% or more of its average general fund revenues; or

5. received a bond rating below A from a bond rating agency.

Optional Referrals

The bill gives the OPM secretary, following an audit review, broad authority to refer a municipality to MFAC, if the municipality has not already been referred to it.

§§ 2, 3 & 7 — ACIR

The bill modifies ACIR's charge and membership. It also expands ACIR's reporting requirements and modifies reporting deadlines.

Broadened Charge

By law, ACIR studies the relationship between state and local governments and recommends solutions to issues it identifies. The bill specifies its research on intergovernmental issues must include (1) information on consolidation of government services and (2) the direct and indirect impact of changes in the provision of services at different levels of government. Under the bill, ACIR also must develop models for sustainable, recurring savings and revenue growth.

Revised Membership

Starting July 1, 2019, the bill adds to the commission (1) the Planning and Development Committee's chairpersons and ranking members, or their designees, and (2) an organized labor representative selected by the Governor from a list of nominees submitted by the Connecticut AFL-CIO.

It removes from the commission the (1) Senate president protempore; (2) House speaker; (3) Senate and House minority leaders; and (4) commissioners of the Education, Energy and Environmental Protection, and Economic and Community Development departments.

As under existing law, members appointed as legislators serve for the duration of their terms in office. The term length for other members remains two years but the bill allows these members to continue to serve until a successor is appointed and has qualified to serve.

Reporting Requirements

Annual Public Report and Work Plan. The bill requires ACIR to publish a work plan beginning July 1, 2019, and annually thereafter. As under existing law, ACIR also must publish an annual public report on its activities. The bill specifies that it must publish the report on the same schedule as the work plan and, beginning with the 2020 report, describe the status of items included in the prior year's work plan, including statistical measures of progress made toward them.

Semiannual Recommendations. The bill requires ACIR to make semiannual recommendations regarding the accomplishment of all aspects of sharing services among state, regional, and local governments to the OPM secretary. It must, in consultation with other commissions established to address consolidation and sharing of government services, make recommendations four times over a two-year period.

The recommendations may address, but are not limited to:

- 1. standardization and alignment of various regions;
- 2. consolidation of government services, such as joint purchasing between municipalities and school districts;
- 3. consolidation and sharing of government services, such as joint purchasing among municipalities;
- 4. types of government services that may be provided in a more efficient, high-quality, or cost-effective manner by another level of government or COG, regional education service center (RESC), or other regional bodies;
- 5. standardization of government services, such as permit issuance;
- 6. report standardization, enhancement, or streamlining;
- 7. data collection and sharing standardization, enhancement, and streamlining;

8. opportunities for the use of e-government solutions to deliver services and conduct programs;

- 9. alternative revenue sources for municipal governments, COGs, and RESCs;
- 10. regional revenue sharing;
- 11. coalition bargaining and other changes to the relations between municipalities and their employees;
- 12. reducing municipalities' long-term liabilities; and
- 13. timelines for planning and implementing ACIR's recommendations.

The first recommendations are due by October 15, 2019, and every six months thereafter until October 15, 2021. The bill requires that ACIR provide the recommendations as part of its work plan development process, but the first work plan is due July 1, 2019.

Reports on State Mandates. By law, ACIR must submit to the General Assembly (1) a quadrennial report that lists all existing state mandates (i.e., legislative or executive actions that require a local government spend additional local revenue to effectuate them); (2) a supplement to the quadrennial report for each intervening year; and (3) an annual list of mandates enacted during the preceding session.

The bill requires that ACIR include in its quadrennial report a description of the mandates' potential impacts on municipalities. It eliminates the requirement that the report include a history of the mandates and costs municipalities incurred to implement them.

Under the bill, the next quadrennial report is due by the second Wednesday following the start of the regular 2020 session (February 19, 2020) and every four years thereafter.

By law, ACIR also must annually compile a list of state mandates enacted during the preceding session and share it with various state

officials. Under the bill, ACIR must additionally submit the list to each municipal chief elected officer. Under current law, the OPM secretary provides notice of the list to them. The bill eliminates the requirement that the legislative leaders send the list to the OPM secretary.

For each list due on or after July 1, 2019, the bill makes the list due not more than 90 days after adjournment of regular or special session or November 15 after a regular session adjourns, whichever is later.

§§ 4 & 5 — CHANGE TO COG FUNDING

Regional Planning Incentive Account Grants

Beginning FY 20, the bill decreases the amount of funding COGs receive from the regional planning incentive account. Currently, COGs receive \$125,000 each, plus 50 cents per capita. If a COG was formed following the voluntary consolidation of multiple planning organizations before 2014, the COG receives an additional \$125,000 for each merged organization.

Under the bill, OPM must instead distribute to each COG a \$75,000 grant plus 30 cents per capita. Consolidated COGs are not entitled to additional funding as they are under current law.

The bill also authorizes the OPM secretary to distribute additional funding from the regional planning incentive account to COGs. (The bill does not specify a formula for distributing this additional funding.)

Regional Services Grant

Under current law, within available appropriations, the OPM secretary distributes regional services grants to COGs pursuant to a formula she sets. To be eligible for such a grant, COGs must submit a spending plan to OPM. (COGs must use the grants for planning purposes and to achieve municipal service efficiencies.)

Under the bill, beginning in FY 20, the secretary must distribute regional services grants using the same formula that applies to grants from the regional planning incentive account (i.e., per COG, \$75,000 plus 30 cents per capita). Under the bill, COGs receive the grant (1)

regardless of available appropriations and (2) without having to submit a spending plan.

The bill also appears to eliminate a reporting requirement for COGs for 2019. Under current law, COGs must annually report to the legislature on regionalism initiatives, including how they spend their regional services grant. Under the bill, the next report is not due until October 1, 2020.

§ 6 — RPIP CHANGES

Changes to RPIP Eligibility Requirements

The bill appears to broaden OPM's discretion to award RPIP grants by eliminating many of current law's eligibility and application requirements.

Eligible Entities and Purposes. Under current law, OPM awards RPIP grants to municipalities, COGs, economic development districts, and regional education service centers for (1) the joint provision of a service that is currently provided, but not on a regional basis; (2) planning studies regarding the joint provision of a service on a regional basis; and (3) shared information technology services. The bill instead allows the OPM secretary to provide RPIP grants for (1) the joint provision of a government service or (2) a planning study for the joint provisions of any service on a regional basis. (Under existing law and the bill, OPM may also provide RPIP grants for a regional special education initiative to local or regional boards of education or regional education service centers serving at least 100,000 people.)

It appears that under the bill, any entity is eligible to apply to OPM for these grants. (The bill eliminates specific authorization for entities to apply to OPM for such grants.)

Application Content and Priority. Current law requires OPM to prioritize certain grant proposals (e.g., proposals submitted by local and regional boards of education). The bill eliminates these statutory priorities.

Current law requires applicants to provide certain information to OPM, including an explanation of the need for the proposal's implementation and a cost-benefit analysis of it. The bill eliminates provisions in current law specifying what an application must contain.

ACIR Proposals

The bill authorizes ACIR to annually recommend to the OPM secretary by December 1, specific proposals for achieving cost savings through regional efficiencies. ACIR must submit the proposals in the form and manner the secretary specifies.

Under the bill, the OPM secretary may provide RPIP grants to COGs, economic development districts, regional education service centers, or a combination thereof to administer an ACIR proposal. The bill gives the OPM secretary broad authority to award grants to applicants whose proposals best meet the program's requirements.

Annual RPIP Report

The bill requires the OPM secretary to additionally submit her annual RPIP report to the Planning and Development Committee. Under current law, the report must be submitted to the Finance, Revenue and Bonding Committee and contain information on (1) each grant distributed and (2) how the program is reducing property taxes. The bill eliminates the requirement that the report include information on how the program impacts property taxes.

§ 8 — FUNDING FOR PROMOTING SHARED SERVICES

The bill reallocates municipal reimbursement and revenue account funds provided to OPM. The bill reduces the amount allocated for (1) the Nutmeg Network by \$70,000 and (2) the universal chart of accounts by \$180,000. Under the bill, OPM must instead use \$250,000 to promote and facilitate implementing shared or regional government services.

§ 9 — REGIONAL REVALUATIONS AND DATA SUBMISSION REQUIREMENT

Regional Revaluation Schedule

Under the bill, the OPM secretary must use the state's nine planning region boundaries (i.e., the COGs' boundaries) to designate five revaluation zones. Municipalities in each zone will conduct their revaluations in the same year as other municipalities in the zone. Beginning with the October 1, 2020, assessment year, municipalities must conduct their revaluations pursuant to this OPM-designated revaluation schedule. The bill requires certain municipalities that delayed implementing a revaluation during the 2003, 2004, or 2005 assessment year to implement future revaluations pursuant to OPM's regional revaluation schedule.

As is the case under existing law, revaluations must be conducted every five years. The bill retains provisions in existing law governing revaluation methods, processes, and other requirements.

Existing law, unchanged by the bill, allows municipalities to enter into agreements to establish regional revaluation schedules, subject to OPM's approval (CGS § 12-62q).

Submission of Parcel Data to OPM

The bill requires assessors to file with the OPM secretary parcel data from each implemented revaluation. (Presumably, this requirement applies to any revaluation implemented after the provision's July 1, 2019, effective date.)

The data must be filed on forms she creates, and she must provide such forms to assessors at least 30 days before they are due.

§ 10 — REGIONAL ASSESSMENT DIVISIONS WITHIN COGS

The bill requires each COG, by July 1, 2020, to establish a regional assessment division to collect and process data for each municipality in its region with 15,000 or fewer real property parcels. COGs must collect and process regional geographical information system, personal property declaration, income and expense statement, property transfer, motor vehicle valuation, and building permit data.

Municipalities with 15,000 or fewer parcels must provide COGs

with the above information. Beginning in FY 21, municipalities that fail to do so are subject to the same penalties applicable to municipalities that fail to implement a revaluation on time (i.e., loss of their local capital improvement program grant and half of their Mashantucket Pequot/Mohegan Fund grant). The penalties are imposed in each fiscal year that municipalities fail to provide the required information. Municipalities that have permission to delay implementing a revaluation are not subject to the penalties that year.

If OPM imposes the penalty, it must notify the municipality's chief executive officer of the forfeited grant amount and the fact that the comptroller's grant payment to the municipality will reflect the penalty imposed.

§ 11 — INTERLOCAL AGREEMENTS

Existing law gives municipalities and associated bodies (e.g., special taxing districts and municipal districts) blanket authority to enter into interlocal agreements to perform jointly any function that any statute, special act, charter, or home rule ordinance allows them to perform individually. The bill allows municipalities and associated bodies to enter such agreements regardless of conflicting special act, charter, home rule ordinance, or local law provisions.

§§ 12-14 — ENHANCED 9-1-1 PROGRAM

The bill also sunsets the state's existing enhanced 9-1-1 program on July 1, 2019, and requires the Division of State-Wide Emergency Telecommunications to develop and administer a new enhanced 9-1-1 program with many of the same duties plus some new additional ones. The following are existing duties that must be continued:

- 1. provide funding to replace existing 9-1-1 terminal equipment;
- 2. subsidize regional PSAPs, with additional subsidies for municipalities with at least 40,000 people;
- 3. establish a transition grant program to encourage regional PSAPs;

4. establish a regional emergency telecommunications service credit to support regional dispatch services, and

5. implement the next generation 9-1-1- system (i.e., a system comprised of managed internet protocol networks that use enhanced 9-1-1 network features).

But under the new program:

- 1. PSAPs are eligible for 9-1-1 terminal equipment funding for maintenance, not just replacement, costs;
- 2. within available funding, the transition grant program, which must be awarded as provided in regulations, provides \$250,000-\$500,000 grants to municipalities, depending on the number of 9-1-1- calls placed from such municipality, if they (a) join an existing regional PSAP or (b) create a new regional PSAP;
- 3. beginning in FY 25, municipalities with fewer than 40,000 people are not eligible for funding unless they have joined with at least two other municipalities to form a regional PSAP; and
- 4. beginning in FY 25, PSAPs are eligible for terminal equipment funding only if they serve at least 40,000 people.

The bill requires the emergency services and public protection commissioner, by April 1, 2021, to adopt regulations to implement the new program.

The new transition grant program, which starts July 1, 2019, requires grants to be awarded as provided in regulations. It is unclear if current regulations concerning the implementation of the transition grant program apply until the new ones are adopted (the new ones must be adopted by April 1, 2021). Current regulations provide for grants of up to \$250,000 to cover costs associated with relocating existing emergency telecommunications systems and providing for additional functional capacity (Conn. Agencies Regs. § 28-24-5).

§ 15 — INSPECTION SCHEDULE FOR MULTIFAMILY PROPERTIES

Under current law, local fire marshals must inspect dwellings for more than three families annually. The bill decreases the frequency of inspections for dwellings with fewer than 16 units. Under the bill, local fire marshals must inspect dwellings for (1) three-to-six families every three years and (2) seven-to-16 families every two years.

The bill specifies that its provisions do not prevent local fire marshals from inspecting dwellings for three or more families at least once per year.

§ 16 — MARB'S REVIEW OF BOARD OF EDUCATION COLLECTIVE BARGAINING AGREEMENTS

Under existing law, MARB has authority to approve or reject any Tier III municipality's municipal or board of education collective bargaining agreements or amendments. MARB has the same opportunity and authority to act on these agreements and amendments as the municipality's legislative body, but can exercise that authority on no more than two occasions for a particular agreement or amendment. The bill authorizes MARB to also act on board of education collective bargaining agreements that require federal approval but that the municipal legislative body does not have authority to approve or reject.

The bill also requires (1) boards of education to submit any collective bargaining agreement or amendment to MARB within 14 days of reaching it and (2) MARB to approve or reject it within 30 days of submission.

(The law provides two paths for designating a municipality Tier III: (1) the municipality requests the OPM secretary to designate it as Tier III, which she must grant if it meets the law's distress criteria, or (2) the secretary designates the municipality as Tier III based on its bonding capacity regardless of whether it requested the designation (CGS § 7-576c(a)).)

BACKGROUND

Related Bill

sSB 1072, favorably reported by the Planning and Development Committee, contains provisions that are identical to §§ 2 and 3.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute Yea 12 Nay 9 (03/29/2019)